

# Collins-McCaskill Bipartisan Jobs Bill

## Summary

### Tax Relief for Small Business and American Workers

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*Temporary Payroll Tax Cut for Employees* **Extends the current Payroll Tax Cut for Employees**  
The employee-side of the social security payroll tax was reduced to 4.2 percent through 2011. The Collins-McCaskill Bipartisan Jobs Bill extends this payroll tax cut through 2012, preventing the tax increase on working families which would occur if the payroll tax were allowed to revert to 6.2 percent on January 1<sup>st</sup>.

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*Temporary Payroll Tax Cut for Employers* **Expands the Payroll Tax Cut to Employers**  
The Collins-McCaskill Bipartisan Jobs Bill lowers the payroll tax rate to 4.2 percent on the first \$10 million of employer payroll, reducing the tax burden on our nation's job creators.

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*High-Tech Small Business Tax Credit* **Encouraging Investment in American Small Businesses**  
The Collins-McCaskill Bipartisan Jobs Bill provides a tax credit of 25 percent of qualified equity investment in high-tech small businesses that are less than five years old, and are headquartered in the United States.

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*Extend expiring tax provisions* **Extends Expiring Tax Provisions to Create Jobs**  
Some tax provisions that expire on December 31<sup>st</sup> are especially important to helping American businesses invest in the future. The Collins-McCaskill Bipartisan Jobs Bill extends these provisions for one year:

- 100 percent Bonus Depreciation
- R&D Tax Credit
- 15 year Restaurant and Retail Depreciation

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### Rebuilding Our Nation's Infrastructure

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*Transportation Funds* **Funding to Support Transportation Infrastructure.**  
The Collins-McCaskill Bipartisan Jobs Bill would authorize a one-time \$10 billion appropriation to capitalize an existing DOT program that help states provide loans, loan guarantees, and other forms of non-grant assistance which leverage private dollars. States would be required to use these funds for "state infrastructure banks" which are similar to state revolving loan funds. The bill would allow states to voluntarily utilize this additional federal funding, and would ensure sufficient oversight, reporting and public disclosure requirements.

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The Collins-McCaskill Bipartisan Jobs Bill would also provide an additional \$25 billion in funding for highway and bridge core formula programs. This additional funding would supplement the approximately \$40 billion appropriated under the current Surface Transportation authorization in fiscal year 2012 for similar transportation programs.

These initiatives are supported by AASHTO, the association that represents state highway and transportation departments across the nation.

According to the American Society of Civil Engineers, it would cost more than \$200 billion annually to substantially improve the conditions of our nation's roads and bridges.

According to Federal Highway Administration's most recent estimates, every \$1 billion spent on highway construction supported approximately 30,000 jobs.

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*Clean Water and Drinking  
Water State Revolving Loan  
Funds*

**Restore Funding for Clean Water Infrastructure**

The Collins-McCaskill Bipartisan Jobs Bill provides \$800 million in additional funding to the CWSRF and the DWSRF, to help ensure these critical infrastructure programs are funded at the FY 2010 levels of \$2.1 billion for CWSRF and \$1.387 billion for DWSRF. There is no shortage of projects to ensure the provision of safe water—EPA estimates \$187.9 billion in wastewater needs and \$334.8 billion in drinking water needs over 20 years.

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## Creating Jobs by Cutting Red Tape

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*Revising Boiler MACT  
( S.1392,  
EPA Regulatory Relief Act of  
2011)*

**Providing Relief for Manufacturers from EPA's Onerous "Boiler MACT" Rules**

The Collins-McCaskill Bipartisan Jobs Bill provides American businesses with much-needed relief. It guarantees the 15-months the EPA itself requested to provide the agency with the testing data needed for achievable rules and provides manufacturers with the time needed for the capital planning to comply with these very complex and expensive rules.

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*S.602  
Clearing Unnecessary  
Regulatory Burdens Act*

**Cost Benefit Analysis and Good Guidance Practices**

The Collins-McCaskill Bipartisan Jobs Bill incorporates the provisions of the "CURB Act," which requires federal agencies to analyze the costs and benefits of each significant regulatory action and its identified alternatives, and obligates agencies to comply with public notice and comment requirements. It also provides relief to small businesses seeking waivers from penalties the first time they fail to comply with paperwork

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requirements, as long as no harm comes from that failure.

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## Investing in a 21<sup>st</sup> Century Workforce

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### *Job Training Program* **Consolidating Duplicative Federal Job Programs**

*Consolidation Act* According to a March 2011 GAO report, in FY2009 the federal government spent approximately \$18 billion on 47 different jobs training programs across numerous agencies. The Collins-McCaskill Bipartisan Jobs Bill requires OMB to study the effectiveness and consolidation of duplicative job training programs and make legislative recommendations to Congress on consolidating job training programs. Of the savings that result from this consolidation, half will be devoted to classroom and hands-on training, and the other half will be allocated to reducing the deficit.

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### *Cluster Development* **Regional Employment and Innovation Strategies.**

The Collins-McCaskill Bipartisan Jobs Bill includes support for “cluster development” – public-private efforts at the state and local level to identify and develop the natural competitive advantage in a region, and to train the skilled workers needed to build on those competitive advantages. The bill authorizes up to \$350 million in competitive grants for cluster development each year.

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## Offsets

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### *Protecting Small Businesses* **Millionaire surtax with small business “carve out”**

*from tax increases* The Collins-McCaskill Bipartisan Jobs Bill includes a 2 percent surtax on taxpayers earning more than \$1 million annually, but with a “carve-out” to protect small businesses, which typically pay taxes through the individual income tax system. Americans need small businesses to be successful, and count on small businesses to create most net new jobs in the U.S. economy. The carve-out provided by the Collins-McCaskill Bipartisan Jobs Bill helps small businesses continue to play this critical role.

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### *Ending Big Oil Subsidies*

#### **Repealing Unneeded Tax Breaks for Big Oil**

The Collins-McCaskill Bipartisan Jobs Bill would eliminate certain tax breaks for the five major integrated oil companies. American consumers have already helped the five largest oil companies earn huge profits at the gas pump—they should not have to subsidize the oil industry through the tax code as well.

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